

DEPARTMENT OF STATE

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**WASHFAX RECEIPT**  
DEPARTMENT OF STATE

**EXCISE**

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S/S #

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MESSAGE NO.

CLASSIFICATION TOP SECRET

No. Pages 3

FROM: JHMichael  
(Officer name)

ARA  
(Office symbol)

647-8562  
(Extension)

6283  
(Room number)

MESSAGE DESCRIPTION

TO: (Agency)

DELIVER TO:

Extension

Room No.

NSC

Orlorth

395-3345

392 OEOB

WH

AKZanowitz

456-6620

Rm 112 EWing

FOR: CLEARANCE ☐ INFORMATION ☐ PER REQUEST ☒ COMMENT ☐

REMARKS: PLEASE CALL FOR PICKUP UPON ARRIVAL

Dept. of State, RPS/IPS, Margaret P. Grafeld, Dir.

( ) Release (X) Excise ( ) Deny ( ) Declassify

Date 2/22/02 Exemption B6

S/S Officer: Pomick Step

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Drug Trafficking

- We have evidence of a limited number of incidents in which known drug traffickers have tried to establish connections with Nicaraguan resistance groups.
- These attempts for the most part took place during the period when the resistance was receiving no U.S. funding and was particularly hard pressed for financial support.
- Drug traffickers were attempting to exploit the desperate conditions under which inadequately supplied resistance fighters were carrying on their battle in the field, and to take advantage of resistance connections with local governments in the region.
- We have no evidence that the leadership of the United Nicaraguan Opposition (UNO) is, or has been, engaged in drug trafficking. Individual members of the resistance, including those associated with the forces of Eden Pastora, may have engaged in such activity but it was, insofar as we can determine, without the authorization of resistance leaders.
- We have discussed this issue with resistance leaders, and have been assured in categorical terms that they will not tolerate the involvement of members of their organizations in drug trafficking, and will expel anyone found to be involved in such activity.
- The Administration strongly supports language approved March 27 in the Senate bill which prohibits aid to any resistance group which retains within its ranks individuals who are involved in drug trafficking.

Human Rights

- The Nicaraguan resistance has been tarred with a poor human rights image by the international human rights network. This undeserved image comes from active Sandinista efforts to discredit the resistance and from a tendency among the human rights groups to focus on dated information and to ignore the current situation.
- The resistance has been making a concerted effort to ensure proper conduct by its forces. This contrasts with the Sandinista policy of repression and active use of torture and brutality.

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- The resistance human rights program has the support of the top resistance leadership and includes training commanders and troops.
- Troops in training receive instruction on the law of war, and receive two pamphlets on acceptable human rights practices to carry with them. UNO/FDN is training human rights officers for each regional command and task force.
- UNO established a human rights commission (CDH) headed by Ismael Reyes, former head of the Nicaraguan Red Cross. This organization monitors the human rights situation of the resistance.
- A portion of the \$27 million in humanitarian assistance approved by the Congress last year has been used to fund the UNO human rights program.
- To reinforce this effort, \$3 million dollars of the \$100 million in assistance requested is to be available to strengthen programs and activities of the Nicaraguan democratic resistance for the observance and advancement of human rights.

#### Corruption

- To date, there have been only unsubstantiated charges that UNO has been guilty of diverting funds to personal use.
- Intelligence reporting confirms that supplies funded by the Nicaraguan Humanitarian Assistance Office (NHAO) have been arriving in the field and are being put to good use by the resistance forces.
- Allegations that funds deposited in U.S. banks to cover procurement costs in the region have been diverted are unfounded.
- There have been problems in implementing the will of the Congress with the legislation provided by the Congress approving the humanitarian assistance, but the Administration has made every effort to ensure that those funds are used for the purpose intended.
- Political sensitivities in the region prevented us from stationing NHAO personnel in the region for monitoring and verification purposes, or even maintaining bank accounts there so that suppliers could be paid directly.

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- However, in its audit of NHAO activities, the GAO agreed that there is no evidence the NHAO paid for lethal items or that NHAO-funded supplies have been bartered for lethal supplies.
- Careful monitoring of receipts from vendors of supplies paid out of U.S. bank accounts confirms that no funds have been diverted from those accounts for unauthorized purposes.
- The Administration has and fully intends to continue to closely monitor any public funds authorized for aid to the aid to the Nicaraguan democratic resistance.
- The bill approved by the Senate on March 27 provides that no assistance shall be provided to any group that retains in its ranks any individual who has been found to engage in significant misuse of public or private funds. The Administration fully supports that provision and will ensure its strict enforcement.

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